the question relating to Prasar Bharati. This question is linked with the bread of millions of workes. Many MPs have come from such constituencies where these units are there. They are not getting any opportunity to put forth their viewpoint. It is very unfortunate.

MR. SPEAKER : Because we spent thirty-five minutes yesterday on Prasar Bharati, I did not think of an Half-an-Hour discussion. I realise the importance of this question. I had been the Labour Minister myself. I know how the workers are suffering in this coountry. I had been the Labour Minister for nine years. Nobody need tell me what is the condition of the working class in this country today That is why I have said that there will be an Half-an-Hour discussion on this question. You will all get the opportunity to speak

SHRI PRADIP BHATTACHARYA Sir, will you be kind enough to increase the time

MR SPEAKER : No. Sit down, please

Financing of Private Sector Banks

*43 SHRI AMAR PAL SINGH Will the Minister of FINANCE be pleased to state

(a) whether the Government have received any proposal from the Private Sector Banks to finance the welfare schemes,

(b) if so, the details thereof, and

(c) the reaction of the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P CHIDAMBARAM): (a) to (c) A *Statement* is laid on the Table of the House

STATEMENT

(a) to (c) Welfare schemes of Private Sector Banks are not financed by the Government It is for Private Sector Banks to finance their welfare schemes out of their own resources

[Translation]

SHRI AMAR PAL SINGH Mr Speaker, Sir I want to know from hon Minister as to how much profit was earned by the Private Sector Banks in comparison to the Nationalised Banks? Second, how much of the total loan given by Private Sectors Banks goes into primary sector like agriculture Please give comparative figures in comparison to the nationalised banks

[English]

SHRI P CHIDAMBARAM With respect, I submit that I will be very happy to answer your question and give the information But this supplementary is not within the ambit of this question This question is about Private Sector Banks financing their welfare schemes. We have said that we do not finance their welfare schemes and they have to finance their schemes with their own resources...*(Interruptions)*

SHRI NIRMAL KANTI CHATTERJEE : The direction of the question is not welfare schemes concerning their employees. But the government of India has got various welfare schemes . *(Interruptions)*

MR. SPEAKER . I will allow your supplementary later

[Translation]

SHRI AMAR PAL SINGH : Mr Speaker, I want to know that like the Public Sector Banks which invariably give some percent of their loan to agriculture sector, whether the Government would issue guidelines to the Private Sector to make it obligatory for them to make available loans to the agriculture sector.

[English]

SHRI P. CHIDAMBARAM The Private Sector Banks are also involved in implementing a large number of Government schemes I will give the figures on each of these schemes. Firstly on the Prime Minister's Rozgar Yojana, the Private Sector Banks have received - I am giving the figure as on 31 3 1994 which figures are available - 2594 applications Total number of applications sanctioned was 862 The amount sanctioned was Rs. 499.35 lakh The total loans disbursed amount to Rs. 207.94 lakh Then, about the Prime Minister's Yojana for Unemployed Youth (PMRY) for the year 1994-95 the Private Sector Banks received 20,705 applications The applications sanctioned were 8398 The amount sanctioned was Rs. 1585 lakh The amount disbursed is about 57 per cent of that

On PMRY as on 31 3 96 the Private Sector Banks received 14887 applications Applications sanctioned were 6796 The amount sanctioned was Rs 3819 lakh. The amount disbursed was Rs 2024 lakh These are the programmes which the Private Sector Banks are participating in And if the hon Members want to know about any other particular programme, I will answer that

DR MURLI MANOHAR JOSHI Would you also give us the information as to how many of the foreign private sector banks are involved in implementing this scheme?

[Translation]

SHRI AMAR PAL SINGH My next supplementary is still left *(Interruptions)*

MR. SPEAKER : You have asked third supplementary

SHRI AMAR PAL SINGH : The third has not been done. He has said that he does not reply to the first question. He did not give reply to the second question. I had asked what guidelines you have issued for agricultural sector? He has not replied to this...*(Interruptions)*

MR. SPEAKER : Okay, now you ask.

SHRI AMAR PAL SINGH : I want to know whether you would issue guidelines to the private banks to make it obligatory for them to give some percentage of their loans to agricultural sector just as it is compulsory for public sector Banks?

[English]

SHRI P. CHIDAMBARAM : All the guidelines of the RBI apply to the private sector banks also.

DR. MURLI MANOHAR JOSHI : There is a very small question...*(Interruptions)*

MR. SPEAKER : Dr. Joshi, I will allow you to frame the question in a better way.

SHRI NIRMAL KANTI CHATTERJEE : I want to ask what Dr. Joshi was asking. My question is, there are these stipulations.. *(Interruptions)* I think, I have to seek his permission now...*(Interruptions)*

[Translation]

SHRI AMAR PAL SINGH : Mr. Speaker, Sir, India is a country of villages. Private sector banks have earned higher income as per the figures available. Whether Finance Minister would give guidelines to each and every bank to adopt at least one village every year and make it an ideal village.

[English]

SHRI NIRMAL KANTI CHATTERJEE : Do you permit these sort of questions?

MR. SPEAKER : Do you have the information?

SHRI P. CHIDAMBARAM: As I said, private sector banks are also governed by the same guidelines as the public sector banks. Forty per cent of the net bank credit has to be given to the priority sector. Out of this 40 per cent, 18 per cent has to be given to agriculture. There is a separate set of ten per cent for weaker sections which is ten per cent of the net banking credit. The same guidelines apply to Indian private sector banks.

[Translation]

SHRI AMAR PAL SINGH: Mr. Speaker, Sir, I have second supplementary also. *(Interruptions)*

MR. SPEAKER: No.

[English]

It is not like that. You cannot go on asking questions like this. What is this? Please sit down.

SHRI NIRMAL KANTI CHATTERJEE : I will not ask about the guidelines. The guidelines are that forty per cent is for priority sector and there is another small bit of one per cent with the differential rate of interest to the loanees. What I want to know is not the guidelines. I want a comparison among the three sectors - foreign banks functioning in India, private sector banks functioning in India apart from the foreign banks and the public sector banks. All these have been failing to fulfil the guidelines over the last four or five years under the benign dispensation of the former Government. Has the situation started changing? How do they compare - the private sector 40 per cent, foreign banks 40 per cent and public sector 40 per cent? And in the answer that is given, with the differential of four per cent rate of interest, where do they stand?

SHRI P. CHIDAMBARAM : Foreign banks are not governed by these guidelines. Foreign banks have separate guidelines. *(Interruptions)*

SHRI HARIN PATHAK: What is the difference between foreign banks and Indian banks? *(Interruptions)*

MR. SPEAKER: Dr. Joshi, you are getting your chance immediately after that.

DR. MURLI MANOHAR JOSHI: I am asking the same question.

MR. SPEAKER: Let him answer to Shri Chatterjee now. You can ask the same question later on. There is no provision for a joint question. What can I do?

SHRI P. CHIDAMBARAM: That will be a good day when the CPM and the BJP can joint hands.

DR. MURLI MANOHAR JOSHI: One day they may join, then you will not be there.

SHRI P. CHIDAMBARAM: Foreign banks are not governed by those guidelines. Foreign banks are required to lend 32 per cent to the priority sector and not 40 per cent. Of this 32 per cent, there is a subset of 10 per cent to the export sectors and 10 per cent for SSI sector. The remaining 12 per cent is virtually free as long as it falls within the priority sector. There is no separate subset for agriculture for the foreign banks. It is the public sector banks and the Indian private sector banks which are obliged to have a separate subset of 18 per cent to agriculture in their priority sector lending. There are different guidelines.

Now, the hon. Member is asking me to do an elaborate exercise about comparing the lending proportions. Frankly, Sir, I do not have any figures of foreign banks because this question does not relate to foreign banks. So, I would not be able to do that.

For the public sector banks, against the 40 per cent lending they have achieved in March, 1996

37.75 per cent - all the public sectors taken together. Some banks have performed better than 40 per cent, some have performed not as good as 40 per cent. But that is why we say that when you have failed to perform regarding priority sector you will have to give it to NABARD not exceeding 1.5 per cent of your net bank credit. That 1.5 per cent is transferred by the public sector banks to NABARD and NABARD lends it for various programmes. Sir, for foreign banks, I do not have the figures. If a separate question is put - Mr. Joshi - I will be very happy to furnish the information about foreign banks.

DR. MURLI MANOHAR JOSHI : Sir, the hon. Minister has said that foreign banks have a different guideline and they are not under any compulsion to give loan for the agriculture section or even to the weaker sections Now, he has only given them some guidelines that 10 per cent of their loan should go to the export sector. But what about this 22 per cent? Why are these foreign banks not being given a guideline to help the poorer sections, the weaker sections and the agricultural sections? What is the reason for this? Why have they been spared for it? You know, they are collecting money from the Indian population. The deposits are from us It is the Indian money Why are they not being asked to discharge their duties towards weaker sections and create a market also? They are interested in having a market also So, why should they be not allowed or not forced to help the Indian market to grow? Why is there a different guideline?

SHRI P CHIDAMBARAM Sir, I am sure, Dr Joshi knows the answer and Mr Chatterjee has already suggested the answer Foreign banks are not engaging in mass banking in this country Foreign banks have a very few branches, mostly located in urban areas and cater mostly to export trade and foreign trade That is a different question Dr Joshi, if it is desirable to have them conform to separate guidelines, that is a different question We will examine that whether it is desirable to ask them to conform to certain guidelines But the answer is something very well known Foreign banks are urban-based with limited branches and they do not do mass banking and that is perhaps why these guidelines are separate for foreign banks But I will certainly examine Dr Joshi's suggestion that, is it desirable to ask them to do so That I will examine *(Interruptions)*

SHRI SURESH PRABHU Sir I would like to know on three counts

Firstly, how many private sector banks had not reached the target which was prescribed, that is, 40 per cent of the priorities? If they have not reached the target, what was the penalty that was imposed on them?

Secondly, the foreign banks, if they have not reached the target, could keep the money with SIDBI. If the same facility is likely to be given to other sectors, why the foreign banks are allowed to keep the money with SIDBI and not give money to the small-scale sector, which is supposed to be catered to?

Thirdly, the Narasimhan Committee recommended abolition of priority sector. What is the Government's view on that?

SHRI P CHIDAMBARAM : Sir, I will be happy to answer my friend's question. But this supplementary travels far beyond the scope of this question Please look at the Question This is about the financing welfare scheme of private sector banks.

SHRI SURESH PRABHU . I am talking 'priority sector'

SHRI P CHIDAMBARAM . Just a moment. About financing the welfare schemes of private sector banks, I have taken the suggestions of Mr. Chatterjee in a good spirit and I have tried to give as much information as I have here But if you are asking me now whether each bank has achieved a priority sector target, I will have to collect the information This question does not relate to priority sector.

SHRI SURESH PRABHU : But what is the penalty or not reaching the target? . *(Interruptions)*

[Translation]

SHRI DATTA MEGHE Figures which have been given by you in regard to the welfare scheme and Pant Pradhan Rozgar Yojana and unemployed scheme of the Union Government are very less Thousands of people who go to get forms do not get the same

Whether the new Government is going to launch Pant Pradhan Rozgar scheme and whether you are going to give instructions to Banks whereby more and more unemployed youths could get loans? Thousand of people give applications for loan but only five to ten people get loan Some Banks do not accept more applications Therefore, whether hon ble Minister would give priority to the employment schemes for unemployed youths.

SHRI BANWARI LAL PUROHIT What your Government had done?

SHRI DATTA MEGHE That is what I am telling

SHRI P CHIDAMBARAM : It is true that private sector banks, both the old private sector banks and the new private sector banks have not reached the target which has been fixed under priority lending. In fact, the old banks, as a percentage of NBC, lent only 32 97 as against 40 and agricultural advances are only 6 17 as against a sub-set of 18 The new banks' percentage to NBC is 26 19 for priority sector

lending and agricultural advances - only 2.20. They are also required to transfer 1.5 per cent of their NBC to NABARD. The private sector banks - both old and new - are falling behind target. But we will look into the matter to see how to make them achieve the target.

WRITTEN ANSWERS TO QUESTIONS

[English]

Disinvestment in PSUs

*44. SHRI BHUPINDER SINGH HOODA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up a Commission to look in the affairs relating to disinvestment of capital of Public Sector Undertakings,

(b) if so, the details thereof and the names of the PSUs whose shares are likely to be disinvested,

(c) whether the Government also propose to increase the investment limit for small scale industry; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Setting up of a Commission to advise the Government about disinvestment of PSU shares is under active consideration of the Government. The details are being worked out

(c) and (d). A proposal to raise the investment limit for Small Scale Industry is under consideration of the Government.

Fiscal Deficit

*45 SHRI RADHA MOHAN SINGH
DR RAMESH CHAND TOMAR .

Will the Minister of FINANCE be pleased to state

(a) whether the fiscal deficit has been increasing every year,

(b) if so, the details thereof during each of the last three years; and

(c) the steps taken or proposed to be taken to minimise the deficit?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P CHIDAMBARAM) (a) and (b). The position regarding the fiscal deficit which is defined as the total net borrowing requirement of the Government from all sources, is given below for three years from 1993-94 :

	Rs. crores	Fiscal Deficit As % of GDP
1993-94	60,257	7.5
1994-95	57,704	6.1
1995-96 (Revised Estimates)	64,010	5.9

(c) Government would endeavour to control the fiscal deficit by increasing receipts and restricting expenditure.

Relaxation in Lending Norms

*46. SHRI PINAKI MISRA : Will the Minister of FINANCE be pleased to state :

(a) whether with a view to obviating the cash-crunch in the market, the financial institutions (FIs) have requested the Government for relaxation in lending norms,

(b) if so, the details thereof; and

(c) the reaction of the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) (a) No, Sir. The lending norms are decided by the Financial Institutions on their own without reference to Government.

(b) and (c) Do not arise.

Payment of Wages to Workers

*47 SHRIMATI GEETA MUKHERJEE Will the Minister of INDUSTRY be pleased to state

(a) whether complaints of delaying or defaulting the payment of wages to the workers of certain Public Sector Units has been received;

(b) if so, the names of such units and the details of the defaulted/delayed payments of wages; and

(c) what action is proposed to be taken against the authorities of such units?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) (a) to (c). Some delays have taken place in timely payment of wages to the workers of some PSUs As and when such instances are brought to the notice of the Govt , urgent remedial measures are suggested to the public sector units by the administrative Ministry concerned Some public sector units under Department of Heavy Industry which defaulted in timely payment of wages are